

Judge: Hon. Marc L. Barreca
Chapter: 7
Hearing Date: May 27, 2011
Hearing Time: 9:30 a.m.
Hearing Site: 700 Stewart St., #7106
Seattle, WA 98101
Response Date: May 20, 2011

UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

In re:
ADAM GROSSMAN,

Debtor.

Case No. 10-19817
TRUSTEE'S CONDITIONAL OBJECTION TO
MOTION OF MATTHEW O'CONNER TO
WITHDRAW AS ATTORNEY FOR THE DEBTOR

Ronald Brown, the Chapter 7 Trustee files this conditional objection to the Motion of Matthew O'Conner to Withdraw as Attorney for the Debtor as set forth below.

The debtor filed a voluntary chapter 11 petition on August 19, 2010. Ronald Brown was appointed as the chapter 11 Trustee pursuant to Court order dated December 22, 2010. The case was converted to a chapter 7 on March 11, 2011.

The debtors bankruptcy petition, balance of schedules, Statement of Financial Affairs and all amendments thereto were filed by debtor's counsel, Matthew O'Conner. A review of the docket evidences that Mr. O'Conner failed to file an Attorney Disclosure Statement which is required pursuant to section 329(a) of the Bankruptcy Code and Rule 2016(b) of the Federal Rules of Bankruptcy Procedure.

In answer to question nine on the Statement of Financial Affairs the debtor lists a payment to Matthew O'Conner in the amount of \$1,500.00 that was paid on June 25, 2010.

In fact, Mr. O'Conner received retainers in the amount of \$11,500.00 which was disclosed for the first time at the section 341 meeting conducted on April 22, 2011.

1 Mr. O'Conner received a cashier's check dated September 8, 2010 in the amount
2 of \$6,000.00 from Adam Grossman. See Exhibit "1" to the Declaration of Denice Moewes
3 filed simultaneously herewith.

4 Mr. O'Conner received another \$11,500.00 in the form of a cashier's check on
5 February 2, 2011 from Adam Grossman. Moewes Declaration, Exhibit "1".

6 No disclosures have been made in relation to the \$1,500.00 listed on the schedules.

7 There has been no Federal Rule of Bankruptcy Procedure 2016(b) statement filed
8 to disclose these payments.

9 There was no court order applied for or entered which authorized the debtor to
10 transfer \$11,500.00 to Mr. O'Conner.

11 Mr. O'Conner has never filed an application to employ himself as the attorney for
12 the debtor and thus he is not so employed.

13 Mr. O'Conner has never filed an application for compensation.

14 The Trustee demanded turnover of the \$11,500.00 at the section 341 meeting
15 conducted on April 22, 2011 and Mr. O'Conner agreed to turnover said funds. To date the
16 funds have not been turned over.

17 The trustee has no objection to Mr. O'Conner withdrawing as long as he 1) turns
18 over the \$11,500.00 of estate funds that are in his trust account; and 2) provides an
19 accounting of all funds received from the debtor within one year of filing of the petition.

20 WHEREFORE, the trustee objects to the withdrawal of Mr. O'Conner until the time
21 that the \$11,500.00 in his trust account is turned over to the trustee and accounting of all
22 other funds received from or for the benefit of the Debtor.

23 Dated this 20th day of May, 2011.

24 WOOD & JONES, P.S.

25 /s/ Denice E. Moewes

Denice E. Moewes, WSBA#19464
Attorney for Chapter 7 Trustee
Ronald G. Brown

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Wood & Jones, P.S.
303 N. 67th Street
Seattle WA 98103
(206) 623-4382